

RHEON®

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Fax

To:	Mike Curtis	Co:	California First Leasing Corp
Fax:	(949) 255-0501	From:	Terri Hastings
Phone:	(800) 496-4640	Date:	04/29/05
Re:	Pellegrino Foods	Pages:	5 (including cover)

Hello Mike,

I am contacting you again regarding the outstanding balance \$171,000.00 that is owed by California First Leasing Corp. for the leased *KN400 Cornucopia* by Mr. Tom Pellegrino.

Clare Douglas has turned over this account to me for collections, as we have yet to receive payment.

We understand that you and Mr. Pellegrino have a disagreement over a % rate that your Sales Rep gave Mr. Pellegrino, however that has nothing to do with Rheon USA. This is between your company and your Sales Rep. According to your release letter by Rah-miel Mitchell; we shipped the above machine to Mr. Pellegrino.

Please note that we have a copy of Mr. Pellegrino's deposit (check #28793 for \$7,549.65) deposited by your company, that would indeed indicate that there is a legal binding agreement.

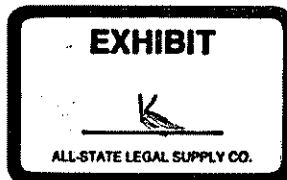
Please know that we have been very patient up to this point in our several attempts to collect this outstanding debt, which is 90 days past due. It was agreed upon that CA First would pay Rheon upon receipt of invoice. Attached are copies of invoice #U-00837, Mr. Mitchell's release letter, and your letter to Tom Pellegrino.

Again Mike, your dispute with Mr. Pellegrino is just that. Please contact me as soon as possible so we can arrange for payment on this account.

Thank you,

Terri Hastings

Terri Hastings
Accounting Dept.
(949) 768-1900



"We appreciate your business"